the cells are transplanted, a therapeutic benefit may be provided. First, after transplantation, these cells have been shown to actively secrete cellular products, such as peptides. Second, these cells have also been shown to differentiate *in vivo* after transplantation into tissue-environment appropriate cell lineages that may replace diseased or damaged tissue or may repair such tissues.

As discussed with the Examiner, Applicant will submit a further inventor declaration detailing the evidence in support of the foregoing.

CONCLUSION

On the basis of the foregoing, Applicants respectfully request that the rejection of claims 26, 27, 32-37, and 39-62 be withdrawn. If there are any questions regarding these amendments and remarks, the Examiner is encouraged to contact the undersigned at the telephone number provided below.

Respectfully submitted,

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